



CITY OF NEWPORT BEACH

ECONOMIC DEVELOPMENT COMMITTEE

AGENDA

MEETING DATE:

Wednesday, March 17, 2010

TIME:

8:00-9:00 A.M. *Please arrive 5 min. prior*

PLACE:

**City of Newport Beach Council
Chambers**

ROLL CALL AND INTRODUCTIONS

To assist with attendance there will be a sign in sheet at the podium, Please check off your name on arrival or before departing.

MEMBER UPDATES AND ANNOUNCEMENTS

DISCUSSION ITEMS

1. Approval of Minutes of February 17, 2009 (*Attachment*)
2. Presentation by Sheri Drewry, President of the Restaurant Association BID on Restaurant Week January 2010
3. Presentation by Gary Sherwin, President & CEO of Visit Newport Beach on Transit Occupancy Tax in 2009
4. EQAC Representative's Report

ITEMS FOR A FUTURE AGENDA

PUBLIC COMMENTS

ADJOURNMENT

**NEXT EXECUTIVE COMMITTEE MEETING: Wednesday, April 7, 2010
8:00 A.M. – NEWPORT BEACH CHAMBER OF COMMERCE**

**NEXT REGULAR MEETING: Wednesday, April 21, 2010
8:00-9:00 A.M. – CITY COUNCIL CHAMBERS**



CITY OF NEWPORT BEACH ECONOMIC DEVELOPMENT COMMITTEE

DRAFT MINUTES 2-17-10

Minutes of the Economic Development Committee held at the City Council Chambers, City of Newport Beach, on **Wednesday, February 17, 2010**.

Members Present:

X	Mike Henn, Chairman	X	Lloyd Ikerd
X	Keith Curry, Mayor	X	Brion Jeannette
X	Steve Rosansky, Council Member	X	Debra Legan
X	Robert Hawkins, Planning Commissioner	X	Richard Luehrs
X	Mike McNamara, Vice Chairman	X	Scott Palmer
A	Fred Ameri	E	John Robinson
X	Craig Batley	X	Gregg Schwenk
X	Seymour Beek	E	Gary Sherwin
X	Jeffrey Cole	E	Kim Van Natta
E	Steven Coyne	X	Gay Wassall-Kelly
X	Sheri Drewry		
X	Jennifer Gonzalez		
X	Arlene Greer		
E	David Hsiang		
X	John Hyatt		

Staff Representatives:

E	Sharon Wood, Contract Employee		
X	Leigh De Santis, Economic Development Administrator		
X	Katie Bowden, Economic Development Coordinator		

Guests Present:

Kim Severini, Visit Newport Beach, Inc.	
Katie Gardner	

Roll Call and Introductions:

Chairman Henn called the meeting to order at 8:05 am and began self-introductions of the assembled members, staff and guests.

UPDATES AND ANNOUNCEMENTS

- Councilman Rosansky announced that he would run for Orange County Clerk Recorder in November. (When the incumbent changed his mind and decided to stand for re-election Mr. Rosansky withdrew.)
- Mr. Hawkins reported that the Planning Commission at its last meeting approved a medical office building on Old Balboa Blvd and a remodel of the Alberston's center on the Peninsula including 4,000 new square feet.
- Mayor Curry reminded members he would be making his State of the City speech on Friday at the Mayor's Dinner. His themes for 2010 are leaner and more efficient operation of city government and a focus on economic development. Leaner is being achieved by the ERIP and attrition.
- Councilman Henn report on the City Council action on the Water Taxi that directed a survey be conducted this summer. The Committee is now looking for funding sources to underwrite the cost of the survey. Mike MacNamara said there was a lack of clarity in the "formal" motion made by the EDC in support of the RFP for summer 2010 that allowed the City Council to move as they did especially as that other projects could fall by the wayside if this were more vigorously pursued.

DISCUSSION ITEMS

1. Minutes of January 20, 2010.

Chairman Henn called for comments on the draft minutes. There being none, Brion Jeannette moved approval of the minutes and Robert Hawkins seconded. The minutes were approved unanimously.

2. Presentation by Kim Severini of Visit Newport Beach, Inc on the Value to the city of Hosting the BCS.

Ms. Severini shared with the group the media placement that Visit Newport Beach had done at John Wayne Airport and clips from broadcast media in Texas and Alabama that featured Newport Beach as the pre-game location for the teams, media and alumna attending the Bowl Championship Series (BCS) at the Rose Bowl. Visit Newport Beach estimates that the value of the media coverage received by the City of Newport Beach in hosting the BCS was approximately \$788,000. The BCS will return to the Rose Bowl in 2014 and Visit Newport Beach is already working at securing their business in 2014. TOT numbers for the impact of the BCS won't be available until March and sales tax numbers in June. Newport Beach will be competing for future selection as the event headquarters for both the Rose Bowl and the BCS events.

3. Presentations by Geo Area Representative on the 2009 Holiday Season in Newport Beach

Corona del Mar – Holidays 2009 were on a par with 2008, both well below the pre-recession high point of 2007. Retailers that brought in merchandise at lower price points for the holiday did better than those that tried to hold to higher prices. Most

retailers kept inventory lower and provided some price reduction. As for other types of businesses in CdM, personal services held steady in 2009, mortgage offices closed, and household goods stores closed. However, at the end of 2009 real estate brokers were beginning to find a market.

Lido, Cannery, and McFadden Square – In 2009, dog grooming dropped 15% as owners came in less frequently or moved out of the area. Florists report that per wedding receipts are down about 15%. Another economic bell-weather, dry cleaning, is down 25%. As for food and drink: McDonalds was down 5%, Subway was even with 2008, 7-Eleven had a slight increase, the bars stayed even and La Ventina's Pizza was up. Vacation rentals were even.

Mariner's Mile – There is concern in the area over the continued impact of the poor appearance of the failed Belle Mare project. They understand the City is working on it but are frustrated over how long due process takes. There is also concern over the long vacant Ardell site. Staff was able to report that it has been leased to A'Maree's boutique, which should open this summer. Lastly, progress is being made on the proposal to build adjacent to Billy's at the Beach.

Brion Jeannette announced that Dr. Shaouljian's medical office project was approved by the Planning Commission, and that he hopes that redevelopment momentum continues in the Old Newport area. Mr. Jeannette asked the EDC to consider supporting an increase in FARs permitted in this area of town. Leigh DeSantis announced that Tesla will be leasing the former European Motors site in Mariner's Mile.

Balboa Village – This area continues to experience large seasonal variations. Only the Fun Zone was up slightly. Bars held even but clothing and food sales were down by 15-25% and 10-25% respectively. Boat weddings have fallen 80%. Sport fishing is holding. Consensus is they would like to have more events held in the Park as a way of attracting potential customers, more visible advertising (cable TV networks), and get rid of the in-lieu parking fee.

Balboa Island – Marine Avenue had good foot traffic this holiday season but not everyone was buying. The outcome was about on a par with 2008. The advertising, decorations, and improvements funded by the BID and BIIA were important in driving traffic to the Island. Equally important is how much in advance of the holiday schools are out so people come with children to the Island. Good weather is a major factor for the Island. The new Boat Parade route was good for the Island.

Restaurants - Hard numbers lag by six months but anecdotally Christmas parties were fewer and price points for those that occurred were lower. Many restaurants have reported that the January 2010 Restaurant Week was their best ever.

Harbor – Ten percent less fuel was sold in 2009 but profit was slightly up. One of the three fuel docks in the Harbor (the one by Newport Landing) closed after the New Year and seems unlikely to reopen. They were 15-20% of the fuel business which should now redistribute among the remaining two fuel docks, making them stronger. Small boat slips are more available. Big boats slips are holding steady. Ferry trips have not changed.

4. EQAC Representative's Report

EQAC is reviewing the revised Marina Park EIR.

ITEMS FOR A FUTURE AGENDA

- Tourism and TOT Update
- Report on Restaurant Week January 2010

ADJOURNMENT

Chairman Henn called for the meeting to be adjourned at 9:06 am.

DRAFT